



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
Washington, DC 20415

Management Services
Division

Contracting Policy No. 42.15
Contractor Performance Information

Purpose: The following provides policy guidance for recording interim/current and final contractor performance evaluations including, registering contracts in the Contractor Performance Assessment Reporting System (CPARS); training requirements for CPARS; submitting performance evaluations in CPARS; ensuring timely and proper performance evaluations; and filing and maintaining performance evaluations.

Effective Date: Immediately. Applies to all new contracts and the exercising of option years (i.e. interim performance reports) for ongoing contracts.

Expiration Date: None. (May only be cancelled or superseded.)

Background:

Evaluating contractor performance is useful both as an evaluation factor in awards and as a tool to encourage outstanding performance throughout the life of a contract. It is important to document positive as well as negative performance in order to present a complete picture of the contractor's performance.

Contractor performance covers such areas as:

- The quality of the work product
- The ability to stay on schedule and deliver on time
- The effectiveness of personnel
- Management tactics
- Cooperation
- Professional behavior
- Cost control
- Ability to comply with a subcontracting plan

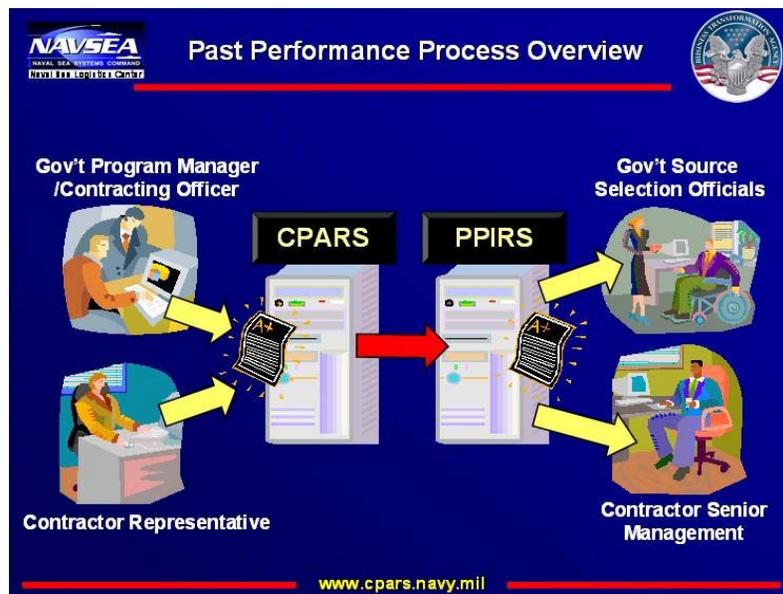
In accordance with FAR 42.15, agencies are responsible for completing interim (also referred to as current) and final performance evaluations for all contracts that exceed the Simplified Acquisition Threshold (currently \$100,000). Performance reporting is a collaborative process that includes the contractor, customer, COR and contracting officer, and therefore interim evaluations can proactively identify deficiencies, improve marginal performance, or encourage continued positive performance.

Interim performance assessment is a basic best practice for good contract administration, and is one of the most important tools available for ensuring good contractor performance. Current performance assessments, when completed, become past performance information for use in market research and future source selections. Completion of these assessments improves the amount and quality of performance information available to source selection teams across Government. The use of past performance as a major evaluation factor in the contract award process is instrumental in making “best value” selections because it enables agencies to better predict the quality of, and customer satisfaction with, future work.

The following policy applies to all contracts for supplies and/or services with a total value, including options, that exceeds the Simplified Acquisition Threshold (currently \$100,000). All incentive/award fee contracts, in addition to any incentive/award fee plan in the contract, are subject to the performance reporting requirements of this policy.

OPM uses the Contractor Performance Assessment Reporting System ([CPARS](http://www.cpars.csd.disa.mil/)) <http://www.cpars.csd.disa.mil/> as a performance evaluation collection system. Information from CPARS and several other similar collection systems is automatically transmitted to the Government-wide data repository, the Past Performance Information Retrieval System ([PPIRS](#)). Performance information in PPIRS is then used in source selections across Government. See Figure 1 Below for an overview of the Past Performance Process.

Figure 1



The Policy:

- (1) **When to Prepare Performance Reports:** Performance reports must be prepared prior to exercising any contract option periods (Interim/Current Reports), and must be completed at the completion of contract performance (Final Reports). Interim/Current Reports must be completed annually for contracts with a performance period including options, exceeding one year. These Interim reports may be prepared in hardcopy form or in CPARS. If CPARS is used, the CPARS format must be followed. Contracting officers have a responsibility to ensure timely submittal of performance reports for all contracts under their purview.

- (2) **Preparing Performance Reports:** Using the electronic processing features of CPARS, the contracting officer (CO) must oversee the initiation of, and ensure the timely completion of contractor performance reports. In most cases, the CO has delegated the primary responsibility of initiating and completing the performance report to the contract specialist or the Contracting Officer’s Representative (COR) in the COR appointment letter (see OPM Contracting Policy No. 1.602-2, Contracting Officer Delegations of Authority. If this responsibility is not delegated to the COR, the performance report should be completed by the CO or other person(s) who can clearly gauge the contractor’s level of performance. In any case, input may be sought from the end-user(s), Government project manager, contract specialist, contracting officer, payment office, or other Government personnel.

(3) **CPARS Responsibilities:**

CPARS Role	Contract/Program Role
Assessing Official Representative (AOR)	COR/COTR
Lead Assessing Official Representative (Lead AOR)	Contract Specialist (if applicable)
Assessing Official (AO)	Contracting Officer
Reviewing Official	One Level above Contracting Officer
Focal Point	Determined by Contracting Group Director
Alternate Focal Point	Determined by Contracting Group Director
Contract Data Entry Person	Determined by Contracting Group Director

Additional information on CPARS roles is provided in Figures 2 and 3 below.

Figure 2

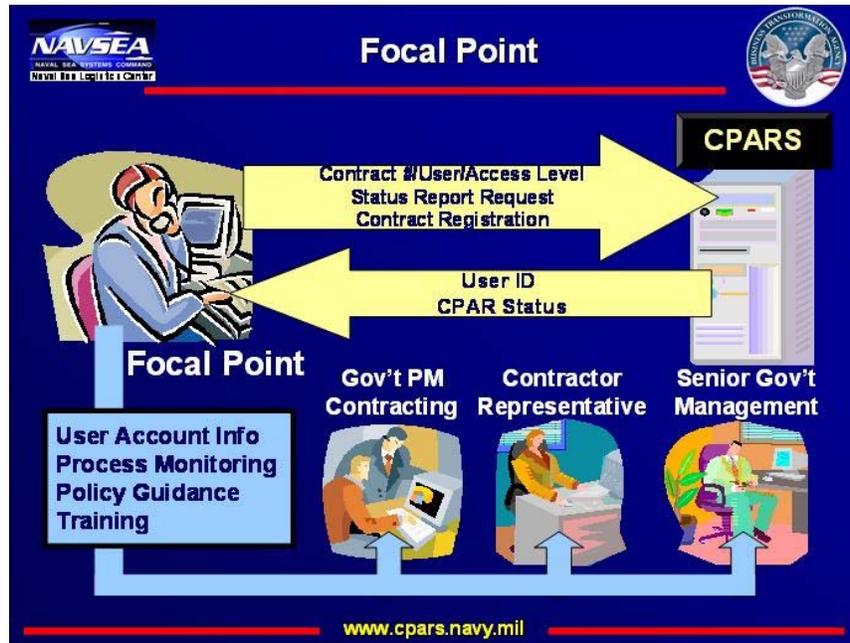
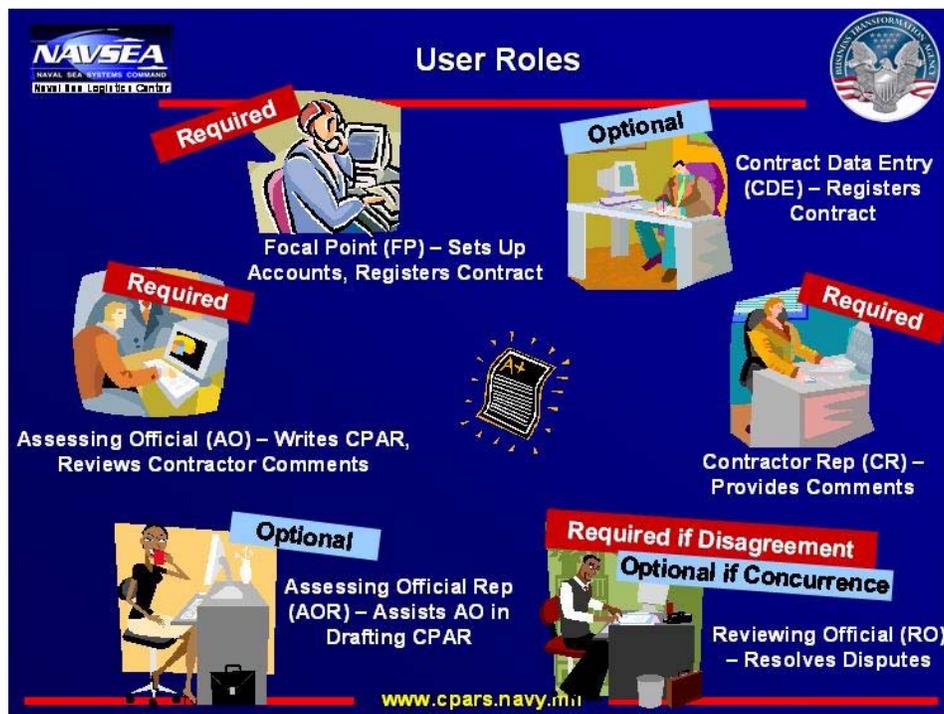


Figure 3



(4) CPARS Workflow

With adequate planning, the automated features of the CPARS system can make performance reporting a smooth and efficient process. CPARS also provides users with several automated email notifications to facilitate workflow (see Figure 4 below). The following is an outline of the CPARS workflow. Unless otherwise noted, all routing of information is completed within the CPARS system.

- a. On the first business day of every month, the CPARS Focal Point or designee will use the Contracting Group's tracking system (currently AcqTrack) to provide all contracting group personnel with a report of awarded contract actions for the previous month that meet the criteria specified in "Preparing Performance Reports" above.
 - i. The report should be stored on the Contracting Group's shared drive or other centrally accessible location.
 - ii. The contracting officer or designee will be responsible for validating the names for each of the CPARS roles and inputting any missing information within one week.
- b. The Focal Point or Alternate Focal Point must provide access authorization to all parties for each contract in CPARS using the information from the monthly report above.
- c. Anyone who has been provided Access Authorization is able to register the contract in CPARS. The contract specialist or contracting officer should lead the contract registration process.

- d. The AOR initiates the CPAR, completes the applicable portion of the CPAR¹ and saves information in CPARS.
- e. The AOR notifies the Lead AOR that his/her CPAR portion is complete. This notification is a manual process.
- f. The Lead AOR reviews AOR input and provides revisions and additional input as necessary.
- g. The Lead AOR is responsible for providing a complete contract effort description and ensuring that the contract registration information is correct.
- h. The Lead AOR submits CPAR to the AO.
- i. The AO receives an automated email alert from CPARS.
- j. The AO can edit and/or return to AOR.
- k. When finalized, the AO clicks “signs”, then validates and routes to contractor POC.
- l. The contractor POC receives an automated email alert from CPARS.
- m. The contractor has 30 days to submit a response to CPARS² (contractor can request a meeting with the AO within first 7 days).
- n. If the contractor’s CPARS submission indicates concurrence with the evaluation, the AO validates and routes to PPIRS.
 - i. If the contractor doesn’t concur, the contractor validates and routes comments to the AO.
 - ii. The AO then revises as necessary, validates, and routes the CPAR to the Reviewing Official.
 - iii. The Reviewing Official inputs comments, “signs”, and validates, then routes to PPIRS³. Routing to PPIRS may also be accomplished by the AO.

¹ If the AO initiates a CPAR, the system will not allow the AOR to add ratings or narrative to that CPAR. Off-line planning is required to ensure that the CPARS workflow operates smoothly.

² In order to grant the contractor an extension, simply just wait to validate the rating.

³ The ultimate conclusion on the performance evaluation is a decision of the contracting agency.

Figure 4



Automatic Email Notices

- **Each Step of CPARS Workflow**
- **System Reminders**
 - CPAR Due (Assessing Official, Focal Point)
 - 30 Days Prior
 - On Time
 - CPAR Overdue (Assessing Official, Focal Point)
 - Contractor Comments Due (Assessing Official, Contractor)
 - Contractor Comments Overdue/Review Period Expired (Assessing Official)
 - CPAR Complete (Contractor)



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Ratings and Narrative Content

Assessing Officials should keep in mind that the effort description and narrative ratings will be read by source selection authorities, probably from other agencies, who will likely have no prior understanding of your contract's scope. Therefore, Assessing Officials should clearly describe key technologies and components, contract complexity, acronyms, and technical terms. Guidance for preparing the Contract Effort Description is provided in Figure 5 below.

Figure 5



Contract Effort Description

- **Complete Effort Description Identifying:**
 - Key Technologies
 - Components
 - Subsystem Requirements
 - Complexity of Contract
 - Acronyms
 - Technical Terms
- **Critical to Future Performance Risk Assessment Groups and Source Selection Authorities**
- **Note Scope Changes Since Prior Assessment**

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The CPARS rating scheme is provided below. This rating scheme should be understood by all assessing officials and assessing official representatives.

CPARS Rating Scheme

Exceptional (5). Performance meets contract requirements and *significantly exceeds* contract requirements to the Government's benefit. For example, the contractor implemented innovative business process reengineering techniques, which resulted in added value to the Government. The contractual performance of the element or sub-element being assessed was accomplished with few minor problems for which corrective actions taken by the contractor were highly effective.

Very Good (4). Performance meets contractual requirements and *exceeds some* to the Government's benefit. The contractual performance of the element or sub-element being assessed was accomplished with some minor problems for which corrective actions taken by the contractor were effective.

Satisfactory (3). Performance *meets* contractual requirements. The contractual performance of the element or sub-element contains some minor problems for which proposed corrective actions taken by the contractor appear satisfactory, or completed corrective actions were satisfactory.

Marginal (2). Performance *does not meet some* contractual requirements. The contractual performance of the element or sub-element being assessed reflects a serious problem for which the contractor has submitted minimal corrective actions, if any. The contractor's proposed actions appear only marginally effective or were not fully implemented.

Unsatisfactory (1). Performance *does not meet* contractual requirements and *recovery is not likely* in a timely or cost effective manner. The contractual performance of the element or sub-element contains serious problem(s) for which the contractor's corrective actions appear or were ineffective.

The contracting officer has the ultimate responsibility for ensuring that past performance reports are accurate and well documented. The Government will likely hold the burden of proof for disputes related to performance ratings, so the contracting officer should encourage all parties to thoroughly document all performance related issues, both positive and negative, throughout the life of the contract.

Copies of all correspondence, related reports, and photographs must be kept with the original contractor performance report in the contract file. Performance information must be retained in accordance with FAR 42.1503(e).

Mandatory Training

Contracting officers and contract specialists have a responsibility for the accuracy and usefulness of contractor performance data, and they will provide guidance to program office personnel on the use of CPARS. Therefore, all contract specialists and contracting officers must take the *CPARS Overview* online training course (http://www.cpars.csd.disa.mil/allapps/cpartmg/webtrain/webtrain_all.htm) within 90 calendar days of the effective date of this policy or their start of employment with the OPM contracting group.

The CPARS *Quality and Narrative Writing* online training course is highly recommended for all Assessing Officials and Assessing Official Representatives. This course may be deemed mandatory in the future.

Additional Information

BPA calls and delivery/task orders made under OPM BPAs and IDIQs may be consolidated by contractor for orders that are similar in scope.

The CPARS Addendum Report may be used to evaluate warranty performance or other administrative functions that occur after the performance period (e.g. contract closeout)

Legal assistance is highly encouraged for unusual, high-risk, or high-visibility contracts.

The OPM Center for Internal Control and Risk Management (CICRM), Contracting Group Policy Team, and Contracting Group Chief will conduct period reviews to ensure compliance with this policy.

